Monitoring Policy

This document provides guidance on the minimum requirements and standards the Office of the State Superintendent of Education (OSSE) shall use to monitor programs implemented by grant sub-recipients, including, but not limited to, local educational agencies (LEAs), institutions of higher education, community based organizations and not-for-profit organizations. The policies and procedures outlined in this document may change as stipulated by federal guidance and programmatic changes within the OSSE.

Each office within OSSE shall use this policy as a guide in developing individual program specific monitoring protocols and tools which address the requirements of each local and federal grant administered by the agency. Additionally, it is noted that programs should consult the City-Wide Grants Manual and Sourcebook when creating program specific monitoring tools for local funds to ensure compliance with the best practices highlighted in the sample "Sub-recipient Monitoring Manual."

This policy addresses modes of delivery, types of monitoring, and monitoring schedules. It describes the onsite reports, corrective action plans, conditions and restrictions, and resolution expectations.

The Public Education Reform Amendment Act (PERAA) of 2007 established the Office of the State Superintendent of Education (OSSE) as the State Education Agency (SEA) for the District of Columbia (DC Code § 38-2601.01).   As the SEA, OSSE is responsible for monitoring grant recipients to ensure compliance with local and federal laws and regulations.

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Jesús Aguirre
State Superintendent

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I.   PURPOSE

This document provides guidance on the minimum requirements and standards OSSE shall use to monitor programs implemented by grant sub-recipients, including, but not limited to, local educational agencies (LEAs), institutions of higher education, community based organizations and not-for-profit organizations. The policies and procedures outlined in this document may change as stipulated by federal guidance and programmatic changes within the OSSE.

Each office within OSSE shall use this policy as a guide in developing individual program specific monitoring protocols and tools which address the requirements of each local and federal grant administered by the agency. Additionally, programs should consult the City-Wide Grants Manual and Sourcebook when creating program specific monitoring tools for local funds. A copy of the Sourcebook and attachments can be found at: http://opgs.dc.gov/book/citywide-grants-manual-and-sourcebook

II.   SCOPE

This policy applies to all grants, both local and federal, administered by OSSE. A grant program may adopt more stringent and/or specific monitoring requirements than those required in this policy. Such requirements shall apply in addition to the requirements in this policy.

III.   AUTHORITY

The Public Education Reform Amendment Act (PERAA) of 2007 established the Office of the State Superintendent of Education (OSSE) as the State Education Agency (SEA) for the District of Columbia (DC Code § 38-2601.01).   As the SEA, OSSE is responsible for monitoring grant recipients to ensure compliance with local and federal laws and regulations.

IV.   DEFINITIONS AND PURPOSE OF MONITORING

Monitoring is the regular and systematic examination of all aspects associated with the administration and implementation of a state approved program in an effort to ensure compliance with local and federal regulations. The process also measures results and assists the SEA in determining which programs need technical assistance in an effort to ensure high quality programs.

V.   MODES OF DELIVERY

OSSE will conduct monitoring activities through both **desktop** and **onsite** monitoring, as appropriate**.** The monitoring schedule will be prioritized by a risk-assessment criterion (described below). Certain grant programs may choose to use a multi-step monitoring process which will include desktop and onsite monitoring in addition to other forms of monitoring. All monitoring strategies and schedules will be coordinated agency-wide to:

identify cross-cutting areas of monitoring across programs; to realize synergies; and to set clear expectations for sub-recipients and to ease the burden on individual schools.

1) **Desktop Monitoring:** During desktop monitoring, the SEA performs an intensive review of documents submitted by the sub-recipient or evidence that is otherwise available. The agency may also conduct a review of performance by examining performance data in the state approved management information system. Desktop monitoring is a tiered monitoring approach that could be as specific as a request for documentation supporting a single reimbursement request or as expansive as a request for a series of quarterly reports or external audit. Desktop or onsite monitoring may include a review of a sub-recipient's fiscal activities and records.

2) **Onsite Monitoring**: Onsite monitoring involves a comprehensive assessment conducted by a review team, at a site where a related program is operating. A review panel comprised of content area experts spends approximately two to five days onsite to evaluate all phases of program administration and operations using a comprehensive evaluation rubric. Any sub-recipient selected for onsite monitoring will be notified at least four weeks in advance and will be informed of any pre-visit documentation they should prepare.

   During the onsite review, the review team may perform the following tasks:

   - Review selected documentation (e.g. expense reports, local applications, programs of study, curriculum plans) relevant to the grant expenditures or program;
   - Review student data/student records as they relate to the program area;
   - Visit classrooms or service areas of the related program;
   - Conduct focus group meetings with faculty, staff, students, parents, providers or other key stakeholders participating in or affected by the program;
   - Perform an exit interview with key staff to discuss preliminary findings; or
   - Conduct additional monitoring activities, as needed.

3) **Monitoring Schedule and Criteria**

   OSSE will consider at least the following risk-assessment criteria when determining the monitoring rotation and focus areas for each sub-recipient monitoring efforts. *Please note other program specific criteria may also be considered at the discretion of the respective grant manager.*

   - A-133 Single audits results
   - Consistent noncompliance relative to unresolved findings identified during previous monitoring reviews
   - Individual complaints to the agency
   - Higher grant award totals
   - Excess carryover or failure to liquidate funds
   - Late reporting (e.g. expenditures, status reports, progress reports, equipment inventory)
   - Lack of alignment between expenditures and approved budget
   - Percent of disallowed to allowed expenditures
   - Excessive administrative costs
   - Failure to adhere to terms and conditions set forth in the Grant Award Notice (GAN)
   - Failure to make substantial progress toward grant goals and objectives

4) **Types of Evidence**

While it is impossible to provide an exhaustive list of all the documents that might be needed, commonly requested records may include:

- Payroll transactions (i.e. a list of employees paid with grant funds; job or position descriptions; time and effort records demonstrating employees worked on grant activities; time and attendance records demonstrating when employee worked; evidence of payroll reconciliations; accounting records indicating how salaries were charged; and/or payment records indicating how salaries were paid).

- Procurement transactions (i.e. requisitions; cost estimates; requests for bids, proposals, etc.; copies of bids, proposals, etc. submitted; evaluation documents; purchase orders or contracts; invoices; proof that items purchased were received; and/or inventory records).

- Other expenditure receipts.

- Fiscal documentation showing the grantee is meeting its obligations under EDGAR 76.730 and/or the City-Wide Grants Manual and Sourcebook, including documents showing[1]:

  - The amount of funds available under the grant;
  - How the grant recipient used the funds;
  - The total cost of the project;
  - The share of that total cost provided from other sources; and
  - Other records to facilitate an effective audit.

- Copies of policies and procedures.

- Representative samples of student or staff files.

5) **Desktop Monitoring Response**

Within a reasonable time after completion of the desktop review, the OSSE review team will send written correspondence to the sub-recipient.[2] The correspondence will provide an overview of any findings, recommendations and plans for onsite monitoring, if applicable. In addition, the OSSE program office will be available to provide targeted technical assistance.

VI. ONSITE REPORTS

Within a reasonable time after completion of the onsite review, the OSSE review team will send a monitoring report to the sub-recipient.[3] The report will address any findings, recommendations and corrective actions, if applicable. Sub-recipients will have from 30 to 60 days, as determined by their SEA program office, to develop a corrective action plan, which delineates strategies and a timeline in which they plan to correct any findings. The OSSE program office will be available to provide targeted technical assistance.

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1 These documents may also be requested as part of the onsite visit.

2 Absent extenuating circumstances, a "reasonable time" as used in this policy shall be approximately ninety (90) days.

3 Absent extenuating circumstances, a "reasonable time" as used in this policy shall be approximately ninety (90) days.

VII. CORRECTIVE ACTION PLAN (CAP)

OSSE will review a sub-recipient's CAP and provide feedback to the sub-recipient within a reasonable time. The OSSE program office will work with the sub-recipient to ensure the plan is sufficient, manageable and timely. The OSSE program office may conduct post-monitoring visits to ensure the plan has been sufficiently implemented.

VIII. CONDITIONS/RESTRICTIONS

A sub-recipient's failure to sufficiently implement its CAP within a timely manner may lead to OSSE imposing special conditions or restrictions on the sub-recipient's ability to receive grant funds in the future. Special conditions or restrictions may include:

- Additional reporting
- Additional onsite monitoring
- Mandatory technical assistance
- Withholding or suspension of grant funds, with appropriate written notification

Additional program-specific conditions may also be imposed at the discretion of the respective grant manager. The sub-recipient will be notified in writing by the OSSE grant manager if there are any special conditions or restrictions attached to the grant award. The notice will include:

- Nature of the special conditions/restrictions
- Any corrective actions which must be implemented before the conditions/restrictions may be lifted
- The process by which such conditions/restrictions may be appealed by the sub-recipient.

IX. RESOLUTIONS

OSSE will only consider all findings resolved after the sub-recipient has provided sufficient evidence that the corrective action plan has been fully implemented. At such point, a closeout letter will be issued to the sub-recipient to indicate that all findings have been resolved and to document which conditions/restrictions have been lifted.